Financing Agreement

(Additional Financing for Strengthening Statistical Capacity and the Informational Base for Evidence-Based Planning Project)

between

PLURINATIONAL STATE OF BOLIVIA

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

Dated August 24, 2014
FINANCING AGREEMENT

Agreement dated August 21, 2014, entered into between PLURINATIONAL STATE OF BOLIVIA ("Recipient") and INTERNATIONAL DEVELOPMENT ASSOCIATION ("Association") for the purpose of providing additional financing for activities related to the Original Project (as defined in the Appendix to this Agreement). The Recipient and the Association hereby agree as follows:

ARTICLE I — GENERAL CONDITIONS; DEFINITIONS

1.01. The General Conditions (as defined in the Appendix to this Agreement) constitute an integral part of this Agreement.

1.02. Unless the context requires otherwise, the capitalized terms used in this Agreement have the meanings ascribed to them in the General Conditions or in the Appendix to this Agreement.

ARTICLE II — FINANCING

2.01. The Association agrees to extend to the Recipient, on the terms and conditions set forth or referred to in this Agreement, a credit in an amount equivalent to fifteen million eighty three thousand two hundred Special Drawing Rights (SDR 15,083,200) (variously, "Credit" and "Financing"), out of which (a) eight million eight hundred thousand Special Drawing Rights (SDR 8,800,000) will be extended under the terms and conditions set forth in this Agreement ("Portion A of the Credit"); and (b) six million two hundred eighty three thousand two hundred Special Drawing Rights (SDR 6,283,200) extended under the terms and conditions set forth in this Agreement ("Portion B of the Credit"), to assist in financing the project described in Schedule 1 to this Agreement ("Project").

2.02. The Recipient may withdraw the proceeds of the Financing in accordance with Section IV of Schedule 2 to this Agreement.

2.03. The Maximum Commitment Charge Rate payable by the Recipient on the Unwithdrawn Financing Balance shall be one-half of one percent (1/2 of 1%) per annum.

2.04. The Service Charge payable by the Recipient on the Withdrawn Credit Balance shall be equal to three-fourths of one percent (3/4 of 1%) per annum.
2.05. The Interest Charge payable by the Recipient on the Withdrawn Credit Balance of Portion A of the Credit shall be equal to one and a quarter percent (1.25 %) per annum.

2.06. The Interest Charge payable by the Recipient on the Withdrawn Credit Balance of Portion B of the Credit shall be equal to one point four percent (1.4 %) per annum.

2.07. The Payment Dates are April 15 and October 15 in each year.

2.08. The principal amount of the Credit shall be repaid in accordance with the repayment schedule set forth in Schedule 3 to this Agreement.

2.09. The Payment Currency is Dollar.

**ARTICLE III — PROJECT**

3.01. The Recipient declares its commitment to the objective of the Project. To this end, the Recipient shall cause the Project to be carried out the INE in accordance with the provisions of Article IV of the General Conditions.

3.02. Without limitation upon the provisions of Section 3.01 of this Agreement, and except as the Recipient and the Association shall otherwise agree, the Recipient shall ensure that the Project is carried out in accordance with the provisions of Schedule 2 to this Agreement.

**ARTICLE IV — REMEDIES OF THE ASSOCIATION**

4.01. The Additional Event of Suspension consists of the following, namely that INE shall have failed to comply with any of its obligations under the Subsidiary Agreement.

4.02. The Additional Event of Acceleration consists of the following, namely, that the event specified in Section 4.01 of this Agreement shall have occurred and shall be continuing for a period of 60 days after notice of the event shall have been given by the Association to the Recipient.
ARTICLE V — EFFECTIVENESS; TERMINATION

5.01. The Additional Conditions of Effectiveness consist of the following:

(a) The Subsidiary Agreement has been executed on behalf of the Recipient and INE.

(b) The Operational Manual has been updated and adopted by INE.

5.02. Without prejudice to the provisions of the General Conditions, the Effectiveness Deadline shall be the date one hundred eighty (180) days after the date of this Agreement, but in no case later than the eighteen (18) months after the Association’s approval of the Financing which shall expire on December 18, 2015.

5.03. For purposes of Section 8.05 (b) of the General Conditions, the date on which the obligations of the Recipient under this Agreement (other than those providing for payment obligations) shall terminate is twenty years after the date of this Agreement.

ARTICLE VI — REPRESENTATIVE; ADDRESSES

6.01. The Recipient’s Representative is the Minister of Development Planning.

6.02. The Recipient’s Address is:

Ministerio de Planificación del Desarrollo
Avenida Mariscal Santa Cruz No. 1092
La Paz, Bolivia
Facsimile: 011-591-2-23107-93

6.03. The Association’s Address is:

International Development Association
1818 H Street, N.W.
Washington, D.C. 20433
United States of America

Cable: Telex: Facsimile:
INDEVAS 248423 (MCI) 1-202-477-6391
AGREED at LA PAZ, PLURINATIONAL STATE BOLIVIA as of the day and year first above written.

PLURINATIONAL STATE OF BOLIVIA

By:  
Authorized Representative

Name: E. Viviana Caro Hinojosa  
MINISTRA DE PLANIFICACIÓN  
DEL DESARROLLO

Title:  

INTERNATIONAL DEVELOPMENT ASSOCIATION

By:  
Authorized Representative

Name:  
Title: Country Manager
SCHEDULE 1

Project Description

The objective of the Project is to strengthen the statistical capacity and improve the informational base of the Recipient in order to provide quality information, as defined by its reliability, timeliness, accuracy and representativeness with the level of disaggregation necessary to support systems for planning, designing, monitoring and evaluating public programs and policies.

The Project consists of the Original Project, as amended hereby, and the following new Parts 4 and 5:

Part 1: Updating the Multi-Purpose Cartography

The provision of support in relation to the modernization of the multi-purpose cartography in the Recipient’s territory including, in connection therewith: (a) the update of the cartography of the Recipient’s territory; and (b) the integration of the updated cartographic material into the Recipient’s geographic information system.

Part 2: Economic Statistics

1. National Agricultural Census

The carrying out of pre-census, census and post-census activities in the context of the Recipient’s national agricultural and livestock census, including in relation thereto, the provision of support relevant to:

(a) Pre-census activities:

(i) develop a list of UPAs at the municipal level; and

(ii) conduct a pilot census to test and adjust instruments to be used in the main census.

(b) Census activity: collect information on UPAs through the use of internationally recognized instruments, techniques, methods and standards adapted to the Recipient’s own context.

(c) Post-census activity: disseminate the processed information of the data collected.
2. Economic Census

The carrying out of pre-census, census and post-census activities in the context of the Recipient’s economic census, including the provision of support to:

(a) Pre-census activities:
   (i) develop the census instrument for the collection of the information on the Recipient’s economic establishments;
   (ii) prepare training materials and carry out training activities for operational staff in charge of census activities;
   (iii) elaborate dissemination materials that will be used to promote the participation of the economic establishments in this data collection exercise; and
   (iv) develop a pilot census to test and adjust accordingly the material to be used in the main census.

(b) Census activities: collect and process the census data.

(c) Post-census activities:
   (i) update the Recipient’s economic survey sampling frame based on the data collected by the census; and
   (ii) disseminate the processed information of the data collected by the census.

3. Agricultural Survey

The provision of support to design and implement an agricultural survey, based on the data collected under the census referred to in Part 2.1 (b) of the Project, including: (a) the design and piloting of the agricultural survey; (b) the provision of training to operational staff responsible of conducting the agricultural survey; (c) the collection, processing and analysis of the survey data; and (d) the dissemination of the processed information of the data collected under said survey.

4. Consumer Price Index

The provision of support to design and implement surveys to assist in the recalculation of an updated Consumer Price Index base.
Part 3: Social Statistics

1. National Population and Housing Census

The carrying out of pre-census, census and post-census activities in the context of the Recipient’s national population and housing census, including in connection therewith, the provision of support to:

(a) Pre-census activities:

(i) develop the census instrument for the collection of demographic information;

(ii) prepare training materials and carry out training activities for operational staff in charge of census activities;

(iii) elaborate dissemination materials that will be used to promote the participation of the population in this data collection exercise; and

(iv) develop a pilot census and experimental censuses to test and adjust accordingly the material to be used in the main census.

(b) Census activity: collect and process the census data.

(c) Post-census activity: disseminate the processed information of the data collected by the census.

2. Continuous Household Survey

The provision of support to: (a) develop a new methodology that would maintain the comparability with previous household surveys in the Recipient’s territory; (b) expand the sample size to be representative of the departments and the largest cities in the Recipient’s territory; and (c) collect and process the information of the survey.

3. Demographic and Health Survey

The provision of support to: (a) design and piloting the survey; (b) carry out training activities for operational staff in charge of the survey; (c) collect, process and analyze the survey data; and (d) disseminate the processed information of the data collected by the survey.
4. Household Budget Survey

The provision of support to: (a) design and piloting the survey; (b) carry out training activities for operational staff in charge of the survey; (c) collect, process and analyze the survey data; and (d) construction of household expenditure baskets; and (e) disseminate the processed information of the survey data.

Part 4: Modernization of the Statistical System

The provision of support to: (a) design and implement mechanisms for the management, coordination and dissemination of statistics of the Recipient’s Statistical System; (b) develop a monitoring and evaluation system for the production and exchange of statistics; and (c) carry out capacity building activities for strengthening the statistical units of the entities of the Recipient’s Statistical System.

Part 5: Project Cross-cutting Teams

The provision of support to INE, through its technical and administrative cross-cutting teams, for the implementation, monitoring and evaluation (including their technical aspects) of all Project’s activities, including for the carrying out of Project audits (including Procurement Audits) and the design and implementation of the engagement strategy referred to in Section I.F of Schedule 2 to this Agreement.
SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements

The Recipient shall cause INE to:

1. Operate and maintain throughout Project implementation within INE, its technical units responsible for statistical operations and an administrative unit which, for purposes of Project implementation, shall be:

   (a) entrusted with responsibility for ensuring the overall planning and coordination of the Project and thus operating with structure, mandate and resources agreed with the Recipient and satisfactory at all times to the Association; and

   (b) staffed with a dedicated team of professionals described in the Operational Manual, in number and with qualifications and experience satisfactory to the Association, including as may be needed, specialists in, inter alia, financial management and procurement selected and appointed under the Project in accordance with the relevant provisions of Section III of Schedule 2 to this Agreement.

2. Assign responsibility internally for the management, implementation, monitoring and reporting of the Project among its central office, or departmental offices described in detail in the Operational Manual.

B. Subsidiary Agreement

1. To facilitate the carrying out of the Project by INE, the Recipient shall make the proceeds of the Financing, on a grant basis, available to INE under an agreement (Subsidiary Agreement) to be entered among the Recipient’s MEFP, MPD and INE, under terms and conditions approved by the Association, among which, inter alia, the obligation of INE to: (a) comply with the terms of this Agreement, the Operational Manual and the Anti-corruption guidelines; and (b) take or permit to be taken all actions to enable the Recipient to comply with its obligations referred to in this Agreement in respect to INE.

2. The Recipient shall, through MPD, exercise its rights and carry out its obligations under the Subsidiary Agreement in such manner as to protect the interests of the Recipient and the Association and to accomplish the purposes of the Financing. The Recipient shall not assign, amend, abrogate, terminate, waive or fail to
enforce the Subsidiary Agreement or any of its provisions without the Association’s prior written consent.

C. Implementation Documents

1. The Recipient shall cause INE to: (a) update the Operational Manual in a manner acceptable to the Association; and (b) thereafter, carry out the Project in accordance with the provisions of the Operational Manual, which shall include, inter alia, the rules, methods, guidelines, plans, standard documents and procedures for the carrying out of the Project, including the following:

(i) (A) the detailed description of Project implementation activities; (B) the functions and responsibilities of key staff of INE directly responsible for Project execution; and (C) the detailed corporate structure of INE and all institutional arrangements made thereunder for assigning the respective responsibilities for the Project activities, including, inter alia, the financing, reporting and auditing aspects thereof;

(ii) (A) the Project administrative, financial, accounting, auditing, procurement and disbursement procedures, including all relevant standard documents and SBDs; and (B) the procurement thresholds in respect of the procurement methods set forth in Section III of this Schedule;

(iii) the final form of the interim unaudited financial reports and Financial Statements for the Project;

(iv) the plan for the monitoring, evaluation and supervision of the Project;

(v) the engagement strategy referred to in Section I.F of this Schedule; and

(vi) the performance indicators for the Project.

2. Except as the Association shall otherwise agree, the Recipient shall not, and shall cause INE not to amend, abrogate, waive or fail to enforce the Operational Manual. In the event of a conflict between any provision of the Operational Manual and any provision under this Agreement, the provisions of this Agreement shall prevail.

D. Additional Implementation Arrangements

The Recipient shall cause INE to: (a) submit annual Project work plans and budget to the Association for their respective review and approval; and (b) thereafter, carry out such annual Project work plan referred to in (a) herein in accordance with its terms and in a manner acceptable to the Association.
E. **Anti-Corruption**

The Recipient shall ensure that the Project is carried out in accordance with the provisions of the Anti-Corruption Guidelines.

F. **Safeguards**

The Recipient shall cause INE to, prior to the carrying out of any activity under Parts 2.2, 2.3, 2.4, 3.3 and 3.4 of the Project: (a) prepare and furnish to the Association an engagement strategy, acceptable to the Association; and (b) thereafter, carry out said activities in accordance with said strategy, and in a manner acceptable to the Association.

**Section II. Project Monitoring, Reporting and Evaluation**

A. **Project Reports**

The Recipient shall cause INE to monitor and evaluate the progress of the Project and prepare Project Reports in accordance with the provisions of Section 4.08 of the General Conditions and on the basis of the performance indicators for the Project agreed with the Association and set forth in the Operational Manual. Each Project Report shall cover the period of one calendar semester and shall be furnished by INE to the Association respectively not later than forty five (45) calendar days after the end of the period covered by such report.

B. **Financial Management, Financial Reports and Audits**

1. The Recipient shall cause INE to maintain a financial management system in accordance with the provisions of Section 4.09 of the General Conditions.

2. The Recipient shall cause INE to prepare and furnish to the Association not later than forty five (45) calendar days after the end of each calendar semester, as part of the Project Reports, interim unaudited financial reports for the Project covering the pertinent semester, in form and substance satisfactory to the Association.

3. The Recipient shall cause INE to have the Financial Statements for the Project audited in accordance with the provisions of Section 4.09 (b) of the General Conditions. Each audit of the Financial Statements shall cover the period of one fiscal year of INE, or any other period to be agreed with the Association. The audited Financial Statements for each such period shall be furnished to the Association not later than six months after the end of such period.
Section III.  Procurement

A. General

1. Goods and Non-consulting Services. All goods and non-consulting services required for the Project and to be financed out of the proceeds of the Financing shall be procured in accordance with the requirements set forth or referred to in Section I of the Procurement Guidelines, and with the provisions of this Section and Section I of Annex A to this Schedule.

2. Consultants' Services. All consultants' services required for the Project and to be financed out of the proceeds of the Financing shall be procured in accordance with the requirements set forth or referred to in Sections I and IV of the Consultant Guidelines, and with the provisions of this Section and Section II of Annex A to this Schedule.

3. Definitions. The capitalized terms used below in this Section to describe particular procurement methods or methods of review by the Association of particular contracts, refer to the corresponding method described in the Procurement Guidelines, or Consultant Guidelines, as the case may be.

B. Particular Methods of Procurement of Goods and Non-consulting Services

1. International Competitive Bidding. Except as otherwise provided in paragraph 2 below, goods and non-consulting services shall be procured under contracts awarded on the basis of International Competitive Bidding.

2. Other Methods of Procurement of Goods and Non-consulting Services. The following table specifies the methods of procurement, other than International Competitive Bidding, which may be used for goods and non-consulting services. The Procurement Plan shall specify the circumstances under which such methods may be used:

<table>
<thead>
<tr>
<th>Procurement Method</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) National Competitive Bidding (NCB) subject to the additional provisions set forth in Section I of Annex A to this Schedule</td>
</tr>
<tr>
<td>(b) Shopping</td>
</tr>
<tr>
<td>(c) Limited International Bidding</td>
</tr>
<tr>
<td>(d) Direct Contracting</td>
</tr>
</tbody>
</table>
C. Particular Methods of Procurement of Consultants’ Services

1. **Quality- and Cost-based Selection.** Except as otherwise provided in paragraph 2 below, consultants’ services shall be procured under contracts awarded on the basis of Quality and Cost-based Selection.

2. **Other Methods of Procurement of Consultants’ Services.** The following table specifies methods of procurement, other than Quality and Cost-based Selection, which may be used for consultants’ services. The Procurement Plan shall specify the circumstances under which such methods may be used.

<table>
<thead>
<tr>
<th>Procurement Method</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) Quality-based Selection</td>
</tr>
<tr>
<td>(b) Selection under a Fixed Budget</td>
</tr>
<tr>
<td>(c) Least Cost Selection</td>
</tr>
<tr>
<td>(d) Selection Based on Consultant’s Qualifications</td>
</tr>
<tr>
<td>(e) Single Source Selection</td>
</tr>
<tr>
<td>(f) Selection of Individual Consultants</td>
</tr>
<tr>
<td>(g) Selection of UN Agency</td>
</tr>
</tbody>
</table>

D. Review by the Association of Procurement Decisions

1. The Procurement Plan shall set forth those contracts which shall be subject to the Association’s Prior Review. All other contracts shall be subject to Post Review by the Association.

2. The Recipient shall cause INE to carry out procurement audits, under the following terms and conditions:

   (a) not later than December 31 of each year during the implementation of the Project, beginning on December 31, 2015, INE shall select and contract in accordance with the relevant provisions of this Section, independent auditors with experience and qualifications satisfactory to the Association, operating under terms of reference satisfactory to the Association, to perform a procurement audit of all the procurement records and documentation for the Project, relating to the Recipient’s previous fiscal year of implementation of the Project, in accordance with procurement auditing principles acceptable to the Association (“Procurement Audit”);

   (b) not later than March 31 of each year during the implementation of the Project, beginning on March 31, 2016 and continuing for each year thereafter during the implementation of the Project, furnish to the Association the report, in form and substance satisfactory to the
Association, on the Procurement Audit completed for the Recipient’s prior fiscal year;

(c) at all times during the implementation of the Project, furnish to the Association and to the auditors performing a Procurement Audit, such other information concerning the procurement records and documentation for the Project as the Association or the auditors may from time to time reasonably request; and

(d) not later than May 31 of each year during the implementation of the Project, beginning on May 31, 2016, exchange views with the Association on the results of the Procurement Audit completed for the Recipient’s prior fiscal year and thereafter implement and/or cause to be implemented such recommended measures, taking into account the Association’s views on the matter.

Section IV. Withdrawal of the Proceeds of the Financing

A. General

1. The Recipient may withdraw the proceeds of the Financing in accordance with the provisions of Article II of the General Conditions, this Section, and such additional instructions as the Association shall specify by notice to the Recipient (including the “World Bank Disbursement Guidelines for Projects” dated May 2006, as revised from time to time by the Association and as made applicable to this Agreement pursuant to such instructions), to finance Eligible Expenditures as set forth in the table in paragraph 2 below.

2. The following table specifies the categories of Eligible Expenditures that may be financed out of the proceeds of the Financing (“Category”), the allocations of the amounts of the Financing to each Category, and the percentage of expenditures to be financed for Eligible Expenditures in each Category:
<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of Portion A of the Credit (expressed in SDR)</th>
<th>Amount of Portion B of the Credit (expressed in SDR)</th>
<th>Percentage of Expenditures to be Financed (inclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Goods, Non-consulting Services, consultants’ services, Operating Costs and Training for Part 1 of the Project</td>
<td>0</td>
<td>0</td>
<td>100%</td>
</tr>
<tr>
<td>(2) Goods, Non-consulting Services, consultants’ services, Operating Costs and Training for Part 2 of the Project</td>
<td>3,880,547</td>
<td>2,770,711</td>
<td>100%</td>
</tr>
<tr>
<td>(3) Goods, Non-consulting Services, consultants’ services, Operating Costs and Training for Part 3 of the Project</td>
<td>1,949,255</td>
<td>1,391,768</td>
<td>100%</td>
</tr>
<tr>
<td>(4) Goods, Non-consulting Services, consultants’ services, Operating Costs and Training for Part 4 of the Project</td>
<td>785,083</td>
<td>560,549</td>
<td>100%</td>
</tr>
<tr>
<td>(5) Goods, Non-consulting Services, consultants’ services (including Project audits and Procurement Audits), Training and Operating Costs for Part 5 of the Project</td>
<td>2,185,115</td>
<td>1,560,172</td>
<td>100%</td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>8,800,000</td>
<td>6,283,200</td>
<td></td>
</tr>
</tbody>
</table>
B. Withdrawal Conditions; Withdrawal Period

1. Notwithstanding the provisions of Part A of this Section, no withdrawal shall be made for payments made prior to the date of this Agreement.

2. The Closing Date is December 15, 2017.
Annex A
to
SCHEDULE 2

Additional Provisions Relating to Particular Methods of Procurement

Section I. Goods and Non-Consulting Services

Without limitation upon the provisions of Section III of Schedule 2 to this Agreement or the Procurement Guidelines, the following additional provisions shall apply to all goods and non-consulting services procured for the Project and awarded on the basis of National Competitive Bidding procedures (Proceso de Licitación Abierta) set forth in the Recipient's Supreme Decree No. 181, dated June 28, 2009 (Normas Básicas del Sistema de Administración de Bienes y Servicios) as further amended by Supreme Decrees: No. 29190 dated July 11, 2007, No. 29603, dated June 11, 2008, No. 29740, dated October 15, 2008 and No. 1497 dated February 20, 2013:

1. A merit point system shall not be used in the pre or post-qualification of bidders.

2. The award of contracts for goods and non-consulting services shall be based exclusively on price and, whenever appropriate, shall also take into account factors similar to those referred to in paragraph 2.52 of the Procurement Guidelines, provided, however, that the bid evaluation shall always be based on factors that can be quantified objectively, and the procedure for such quantification shall be disclosed in the invitation to bid.

3. All bids shall be opened at the stipulated time and place in accordance with a procedure acceptable to the Association.

4. The single envelope procedure shall be used.

5. Whenever a discrepancy shall occur between the amounts in figures and the amounts in words of a bid, the amounts in words shall govern. No bid shall be rejected due to arithmetic errors.

6. No prescribed minimum number of bids shall be required to be submitted for a contract to be subsequently awarded.

7. Foreign bidders shall be allowed to participate.

8. Foreign bidders shall not be required to legalize any documentation related to their bids with Recipient’s authorities as a prerequisite for bidding.

9. Bidders shall not be required, as condition for submitting their bids, to be registered in the Recipient’s Registro Único de Proveedores del Estado (RUPE).
10. No margin of preference shall be granted for any particular category of bidders.

11. In the event that a bidder whose bid was evaluated as the bid with the lowest evaluated price withdraws its bid, the contract may be awarded to the second lowest responsive evaluated bid.

12. Foreign bidders shall not, as a condition for submitting bids, be required to enter into a joint venture agreement with local bidders.

13. No procurement rules or regulations of neither of the Recipient’s agencies, including INE, nor of any state-owned entity shall apply without the prior review and consent of the Association.

14. Recipient state-owned enterprises shall be allowed to participate in bids only upon their compliance with the provisions of paragraph 1.10 (b) of the Procurement Guidelines.

15. No contractor or supplier shall be denied fair and equitable treatment in any resolution of dispute with the Recipient and/or any of its implementing entities.

16. No reference value (*precio referencial*) shall be required for publication, or in the bidding documents or used for the purpose of evaluation.

17. The SBD for NCB shall include clauses on prevention of fraud and corruption, including the Association’s right to inspect and audit, that shall be identical to those pertaining to the Association SBDs for ICB.

Section II. **Selection of Consultant Services**

Without limitation upon the provisions of Section III of Schedule 2 to this Agreement or the Consultant Guidelines, the following additional provisions shall apply to all consultants’ services procured for the Project:

1. Consultants shall not be required, as condition for participating in the selection process, to be registered in the Recipient’s *Registro Único de Proveedores del Estado* (RUPE).

2. Foreign consultants shall not be required, as a condition for participating in the selection process, to enter into a joint venture agreement with local consultants, unless the conditions stated in paragraph 1.15 of the Consultant Guidelines are met.

3. Foreign consultants shall not be required, as a condition for participating in the selection process, to legalize their proposals or any documentation related to such proposals with Recipient’s authorities.
4. Foreign consultants shall not be required to be registered in the Recipient's National Registry of Consultants (Registro Nacional de Consultoría).

5. Consultants, either firms or individuals, shall not be required to present performance securities as a condition to present proposals and sign an awarded contract.

6. Consultants, either firms or individuals, shall not be denied fair and equitable treatment in any dispute resolution with the Recipient and/or any of its implementing entities.

7. Consultants, either firms or individuals, shall not be required to sign consultant services contracts containing a retention amount fee clause.

8. Recipient state-owned enterprises shall be allowed to participate in the selection process only upon their compliance with the provisions of paragraph 1.13 (b) of the Consultant Guidelines.

9. No reference value (precio referencial) shall be used for the purpose of evaluation.

10. The Request for Proposals shall include anticorruption clauses that shall be identical to those pertaining to the Association’s Request for Proposals.
SCHEDULE 3

<table>
<thead>
<tr>
<th>Date Payment Due</th>
<th>Principal Amount of the Credit repayable (expressed as a percentage)*</th>
</tr>
</thead>
<tbody>
<tr>
<td>On each April 15 and October 15:</td>
<td></td>
</tr>
<tr>
<td>commencing October 15, 2019 to and including April 15, 2029</td>
<td>1.65%</td>
</tr>
<tr>
<td>commencing October 15, 2029 to and including April 15, 2039</td>
<td>3.35%</td>
</tr>
</tbody>
</table>

* The percentages represent the percentage of the principal amount of the Credit to be repaid, except as the Association may otherwise specify pursuant to Section 3.03 (b) of the General Conditions.
APPENDIX

Section I. Definitions


2. “Category” means a category set forth in the table in Section IV.A.2 of Schedule 2 to this Agreement.


4. “Consumer Price Index” means an index that measures changes in the weighted average price level of a representative basket of consumer goods and services purchased by households.

5. “General Conditions” means the “International Development Association General Conditions for Credits and Grants”, dated July 31, 2010, with the modifications set forth in Section II of this Appendix.

6. “INE” means Instituto Nacional de Estadística, the Recipient’s National Statistic Institute, or any successor thereto.

7. “MEFP” means Ministerio de Economía y Finanzas Públicas, the Recipient’s Ministry of Economy and Public Finances, or any successor thereto.

8. “MPD” means Ministerio de Planificación del Desarrollo, the Recipient’s Ministry of Development Planning, or any successor thereto.

9. “Non-consulting Services” means, in respect of Category 1 through 5 in the table of Section IV.A.2 of Schedule 2 to this Agreement, services to be contracted for the carrying out of activities related to, inter alia, outreach and communication campaigns and the organization and carrying out of workshops not otherwise covered under Training.

10. “Operating Costs” means reasonable expenditures (none of which would have been incurred by INE absent the Project), for the implementation, coordination and supervision of the Project, including, inter alia, travel costs (i.e. accommodation, transportation, travel insurance, and per diem); operation and maintenance of office equipment; rental of offices; office supplies; communication costs; bank charges; utilities; vehicle operation, insurance and maintenance costs; printing and publications (electronic and/or paper); translation...
services; salaries of locally contracted non-professional staff (but excluding the Recipient’s public servants and permanent employees); and such other expenditures as may be agreed upon by the Association.

11. “Operational Manual” means the manual to be adopted by INE for Project implementation as referred to in Section I.C.1 of Schedule 2 to this Agreement, as the same may be updated/amended from time to time with the Association’s prior written approval.

12. “Original Financing Agreement” means the financing agreement for the Original Project between the Recipient and the Association, dated March 9, 2011 (Credit No. 4845).

13. “Original Project” means the Project described in Schedule 1 to the Original Financing Agreement.


15. “Portion A of the Credit” means the portion of the Credit referred to in Article 2.01(a) of this Agreement.

16. “Portion B of the Credit” means the portion of the Credit referred to in Article 2.01(b) of this Agreement.


18. “Procurement Plan” means the Recipient’s procurement plan for the Project, dated April 30, 2014 and referred to in paragraph 1.18 of the Procurement Guidelines and paragraph 1.25 of the Consultant Guidelines, as the same shall be updated from time to time in accordance with the provisions of said paragraphs.

19. “SBD” means Standard Bidding Document, a document agreed with the Association to be used for procurement related activities under the Project, as referred to in Section I.C.1(ii)(A) of Schedule 2 to this Agreement.

20. “Subsidiary Agreement” means the agreement referred to in Section I.B.1 of Schedule 2 to this Agreement reflected in a bi-ministerial resolution issued by MPD and MEFP or any other instrument required under the Recipient’s legal framework.
21. “Training” means the expenditures (other than those for consultants’ services) incurred by the Recipient to finance: (i) reasonable travel, room, board and per diem expenditures incurred by trainers (if applicable) and trainees in connection with their training, including therein workshops and study tours in foreign countries; (ii) course fees; (iii) training facility rentals; and (iv) training material preparation, acquisition, reproduction and distribution expenses.

22. “UPA” means Unidad de Producción Agropecuaria, the Recipient’s municipal level basic observation agricultural production unit.

Section II. Modifications to the General Conditions

The modifications to the General Conditions are as follows:

1. Section 3.02 is modified to read as follows:

   “Section 3.02. Service Charge and Interest Charge

   (a) Service Charge. The Recipient shall pay the Association a service charge on the Withdrawn Credit Balance at the rate specified in the Financing Agreement. The Service Charge shall accrue from the respective dates on which amounts of the Credit are withdrawn and shall be payable semi-annually in arrears on each Payment Date. Service Charges shall be computed on the basis of a 360-day year of twelve 30-day months.

   (b) Interest Charge. The Recipient shall pay the Association interest on the Withdrawn Credit Balance at the rate specified in the Financing Agreement. Interest shall accrue from the respective dates on which amounts of the Credit are withdrawn and shall be payable semi-annually in arrears on each Payment Date. Interest shall be computed on the basis of a 360-day year of twelve 30-day months.”

2. Paragraph 16 of the Appendix (“Credit Account”) is modified to read as follows:

   ““Credit Account” means the accounts opened by the Association in its books in the name of the Recipient to each of which the amounts of the portions of the Credit specified in the Financing Agreement are respectively credited.”

3. Paragraph 28 of the Appendix (“Financing Payment”) is modified by inserting the words “the Interest Charge” between the words “the Service Charge” and “the Commitment Charge”.

4. The Appendix is modified by inserting a new paragraph 32 with the following
definition of “Interest Charge”, and renumbering the remaining paragraphs accordingly:

“32. “Interest Charge” means the interest charge specified in the Financing Agreement for the purpose of Section 3.02(b).”

5. Renumbered paragraph 37 (originally paragraph 36) of the Appendix (“Payment Date”) is modified by inserting the words “Interest Charges” between the words “Service Charges” and “Commitment Charges”.

6. Renumbered paragraph 50 (originally paragraph 49) of the Appendix (“Service Charge”) is modified by replacing the reference to Section 3.02 with Section 3.02 (a).